

CAPITAL IMPROVEMENT PROGRAM AND DEBT SERVICE FUND

Board of Supervisors Work Session

April 26, 2016

Agenda

- **CIP Overview**
- **FY 2017 – FY 2026 Funding Overview**
- **FY 2017 – FY 2026 Projects Overview**
- **FY 2017 – FY 2026 Debt Overview**
- **No Debt Capital Improvement Program Scenario**
- **Next Steps**

FY 2017 – FY 2026 CAPITAL IMPROVEMENT PROGRAM OVERVIEW

Capital Improvement Program (CIP) Development

- **CIP developed with an emphasis on maintaining existing County & Schools infrastructure based on current and future service delivery levels**
- **Focus on multi-year fiscal planning through:**
 - Identification of ten years of projects and funding sources
 - Additional Operating Budget impacts
- **A capital project is defined as:**
 - Useful life of 5 year or more
 - Minimum cost of \$100,000
 - If funded by a bond issue, the useful life must be equal to or exceed the length of the bond
- **Capital Improvement Program is updated annually**

FY 2017-FY2026 CIP Document Format

Capital Improvement Program
FY2017-FY2026



Internal Services

Human Resources and Payroll Modules

Department: Human Resources and Finance

Category: Replacement

Location: Countywide

Est. Useful Life: 15 years

Magisterial District: Countywide

Project Status: New

Financial Summary

	Total Cost	Through FY2016	FY2017	FY2018	FY2019	FY2020	FY2021	FY2022	FY2023	FY2024	FY2025	FY2026	Total FY17-FY26
Total Project Cost	1,510,000	0	10,000	500,000	500,000	500,000	0	0	0	0	0	0	1,510,000
Funding Sources													
Roanoke County - Unrestricted Cash	755,000	0	5,000	250,000	250,000	250,000	0	0	0	0	0	0	755,000
Transfer from Schools	755,000	0	5,000	250,000	250,000	250,000	0	0	0	0	0	0	755,000
Total Funding Sources	1,510,000	0	10,000	500,000	500,000	500,000	0	0	0	0	0	0	1,510,000
Operating Impacts	0	0	0	0	0	0	0	0	0	0	0	0	0



Project Summary:

This project, planned from FY 2017 to FY 2020, will replace the current Human Resources (HR) and Payroll modules utilized by the County of Roanoke, Roanoke County Schools, and the Western Virginia Regional Jail Authority. The current HR and payroll systems require compatibility with the new Integrated Financial System (IFS) set to go live July 2016. With all systems housed in the same software, processes will be more efficient for the County. Project costs are anticipated to be split 50/50 with Roanoke County Schools.

FY 2017-2026 CIP Document Format

Capital Improvement Program
FY2017-FY2026



Internal Services

Dynamics AX Human Resources and Payroll Modules (continued)

Project Description and Justification:

This project, planned from FY 2017 to FY 2020, will replace the current Human Resources (HR) and Payroll modules utilized by the County of Roanoke, Roanoke County Schools, and the Western Virginia Regional Jail Authority. The current HR and payroll systems require compatibility with the new Integrated Financial System (IFS) set to go live July 2016. With all systems housed in the same software, processes will be more efficient for the County. Project costs are anticipated to be split 50/50 with Roanoke County Schools. All infrastructure will be in place as a result of the IFS project which eliminates any hardware costs.

Additional Operating Impacts:

This project will have a minimal impact on the operating budget as the County already pays for licensing and maintenance on the existing software. Currently \$225,000 is being used for the cost of hosting the software which will no longer be necessary. Implementation of the Human Resources and Payroll modules will allow for the sharing of data and eliminate the need for system interfaces allowing for a more efficient, cost effective work environment.

Conformance with Plans, Policies, and Legal Obligations:

This project conforms with the Board of Supervisors stated mission to provide high quality delivery of services to the citizens of Roanoke County. It will provide daily support to the operations and functions of all County departments who provide effective and efficient governmental services to the citizens. It will allow County Administration to have real time financial data available which is instrumental in making informed decisions on how to enhance public health, safety, and/or welfare issues, protect our existing investment in facilities and infrastructure while anticipating future needs. It will also ensure the County complies with applicable state and federal mandates by providing the applicable financial data for reporting purposes.

Project Highlights and Key Milestones:

- The County has been using the current human resources and payroll software since 1999.
- Phase I of Integrated Financial System is currently underway, set to go live July 2016.
- Initial planning will begin in FY 2017, with implementation scheduled from 2018-2020.
- Costs are split 50/50 with Roanoke County Schools.

FY 2017 – FY 2026 CAPITAL IMPROVEMENT PROGRAM FUNDING OVERVIEW

Capital Improvement Program (CIP)

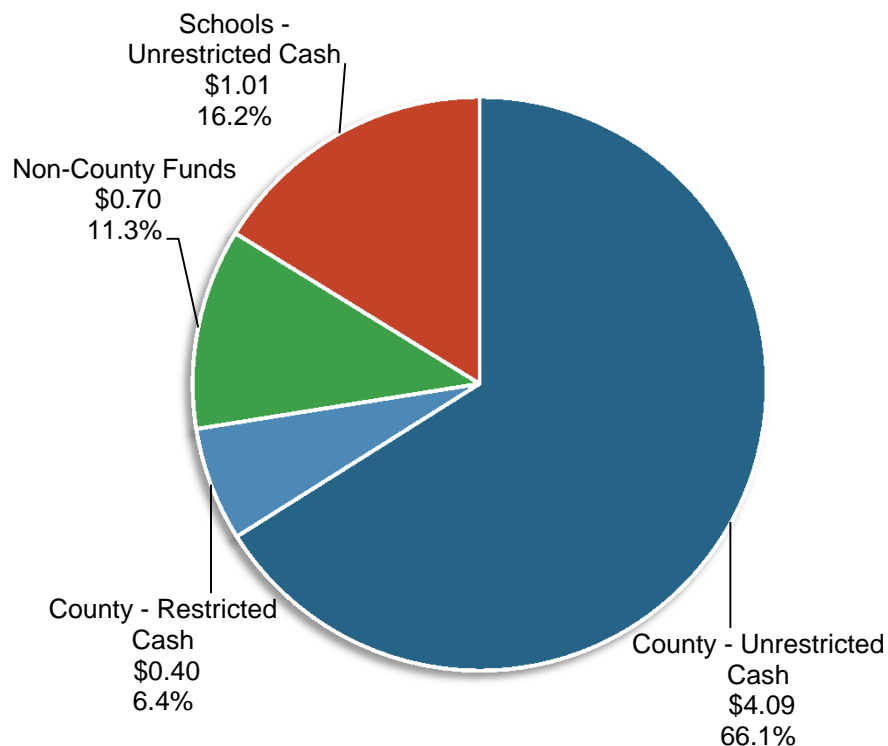
Funding Overview

Capital Projects Funding Source	Description
Schools Cash	Cash from RCPS sources such as the Debt Fund and Capital Reserves
Schools VPSA Bonds	Virginia Public Schools Authority (VPSA) Bonds issued for major RCPS projects
Roanoke County Unrestricted Cash	Cash from County sources such as a General Fund Transfer, Debt Fund, Capital Reserves, sale of assets, project close-out, and year-end balances
Roanoke County Restricted Cash	Cash sources restricted in their use from funds such as the Economic Development, Fee Class, and Comm/IT Funds
Non-County Funding Sources	Grants, Transfer from Schools, City of Salem, Private Capital Contributions
Lease/Revenue Bonds	Bonds issued and backed by the full faith and credit of the County for infrastructure investments

Capital Improvement Program (CIP) Funding Overview

**FY 2017 Only
Funding Sources
\$6.2 million**

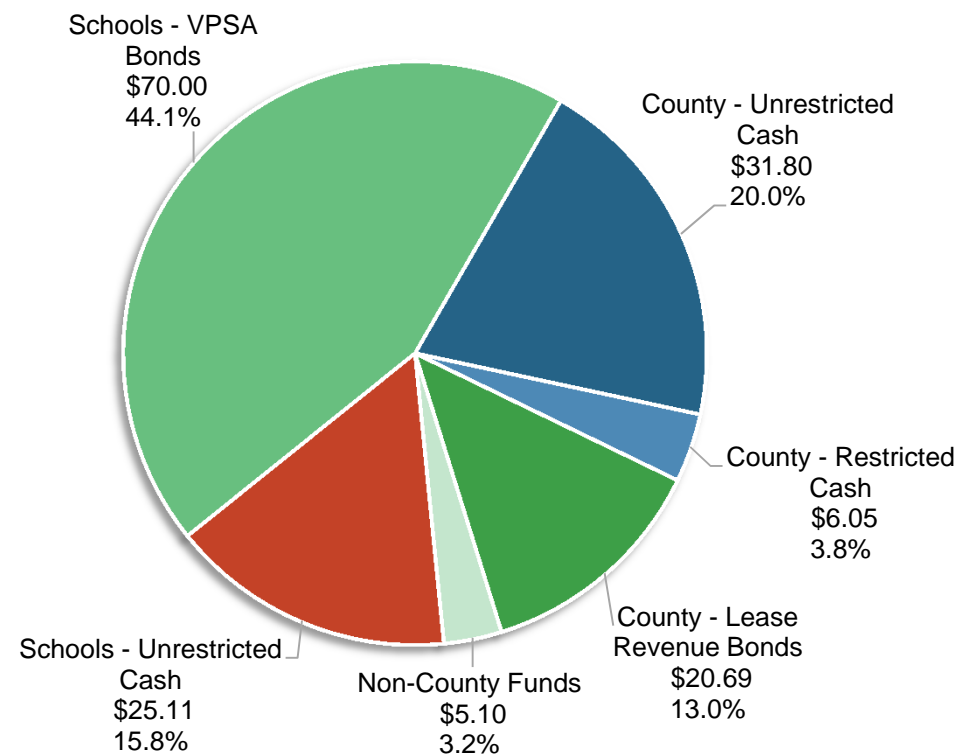
\$ in millions



100% Cash Sources

**FY 2017 – FY 2026
Funding Sources
\$158.7 million**

\$ in millions



43% Cash / 57% Bonds

Capital Improvement Program (CIP)

Cash vs. Borrowing

County FY 2017-2026 CIP

Source	Amount	Percentage
Cash	\$42,944,819	67.5%
Bonds	\$20,688,000	32.5%
Total	\$63,632,819	

Schools FY 2017-2026 CIP

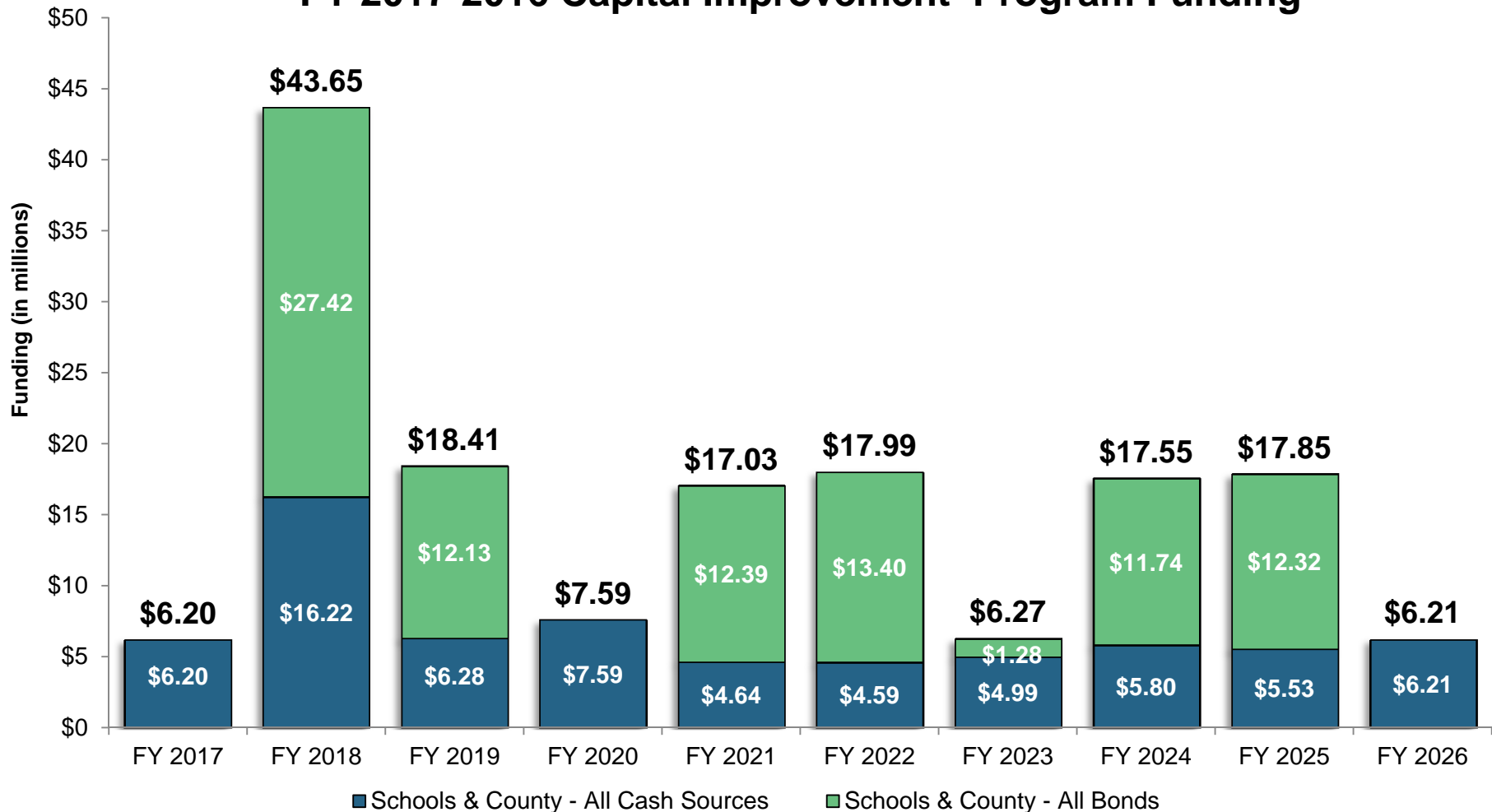
Source	Amount	Percentage
Cash	\$25,105,929	26.4%
Bonds	\$70,000,000	73.6%
Total	\$95,105,929	

Total FY 2017-2026 CIP

Source	Amount	Percentage
Cash	\$68,050,748	42.9%
Bonds	\$90,688,000	57.1%
Total	\$158,738,748	

Capital Improvement Program (CIP) Cash vs. Borrowing

FY 2017-2016 Capital Improvement Program Funding



Capital Improvement Program (CIP)

Utilization of Bond Proceeds (No Bonds in FY 2017)

Schools VPSA Bonds	Amount	County Lease/Revenue Bonds	Amount
Cave Spring HS (FY 18)	\$21.67 M	Explore Park (FY 18)	\$1.45 M
Phase II Facility Assessment Projects (FY 21-25)	\$48.33 M	Sports Field Lighting (FY 18, FY 22)	\$2.49 M
Total Schools Projects	\$70.00 M	Green Ridge Generator (FY 18)	\$0.75 M
		Public Safety Radio Replacement (FY 18)	\$2.39 M
		SCBA Replacement (FY 18)	\$0.36 M
		Public Service Center (FY 19)	\$12.13 M
		Parks Facilities Improvements (FY 22, FY 25)	\$1.13 M
		Total County Projects	\$20.69 M

FY 2017 – FY 2026 CAPITAL IMPROVEMENT PROGRAM PROJECT HIGHLIGHTS

Capital Improvement Program Projects

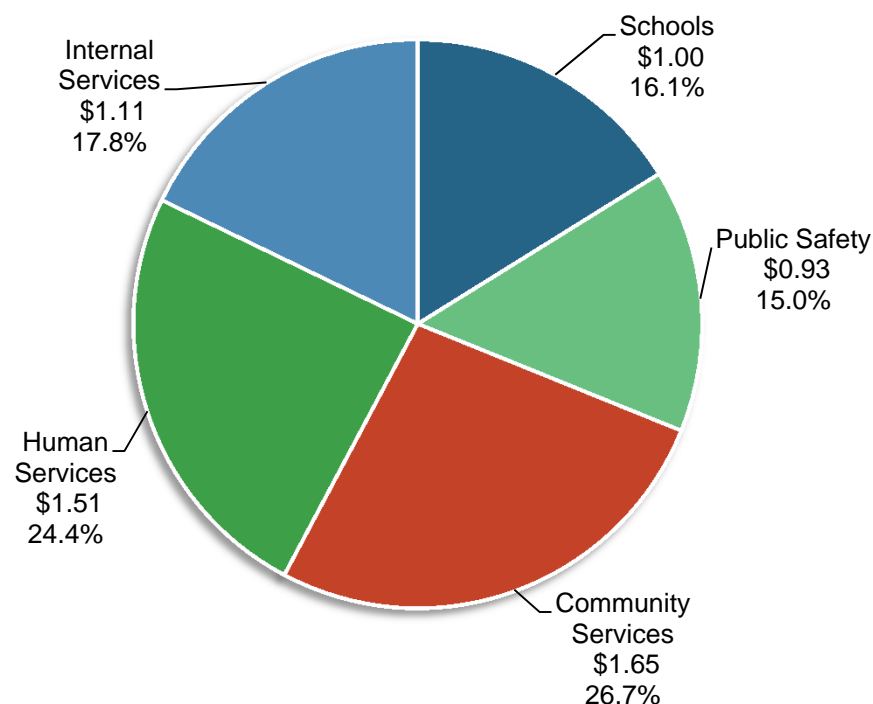
Project Prioritization

- **Capital Maintenance - Protecting existing assets**
 - Annual funding streams for on-going maintenance (Sheriff's Office Capital Maintenance Program)
 - Replacement of infrastructure (Self-Contained Breathing Apparatus)
- **Leveraging outside (non-County) funding**
- **Community expectations**
- **Alternative service delivery**
- **"Nice-to-have"**
- *Future CIPs – Project prioritization can be linked to the County's Strategic Plan*

Capital Improvement Program (CIP) Project Overview

FY 2017 Only
Projects by Schools & Functional Team
\$6.2 million

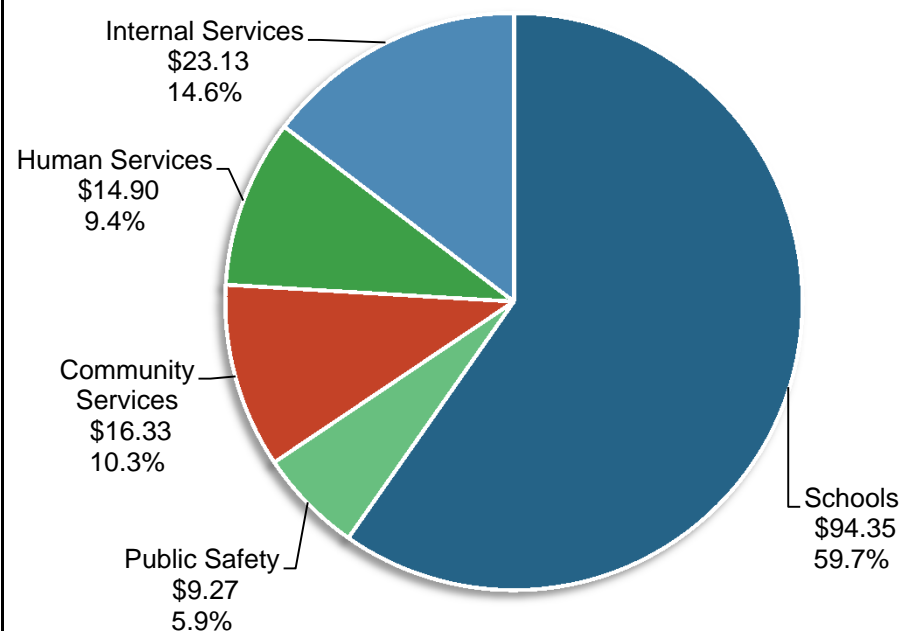
\$ in millions



Projects Funded From 100% Cash Sources

FY 2017 – FY 2026
Projects by Schools & Functional Team
\$158.0 million

\$ in millions



Projects Funded From 43% Cash/57% Bond Sources

Capital Improvement Program Projects

Roanoke County Public Schools

Projects:	FY 17	FY 18-26	Bonded Portion
Renovation of Cave Spring High School	---	\$28.75M	\$21.67M
Capital Maintenance Program	\$1.00M	\$9.00M	---
Phase II Facility Assessment (TBD)	---	\$55.60M	\$48.33M
Total	\$1.00M	\$93.35M	\$70.00M



Capital Improvement Program Projects

Public Safety Functional Team

Projects:	FY 17	FY 18-26	<i>Bonded Portion</i>
Capital Maintenance Program – Sheriff	\$0.10M	\$0.86M	---
Courthouse Security Upgrade	\$0.27M	---	---
Overhead Lighting for Jail	---	\$0.17M	---
Jail Control Room Upgrade	---	\$0.60M	---
Masons Cove Fire Station Renovation	\$0.25M	---	---
Self Contained Breathing Apparatus (SCBA)	---	\$1.80M	<i>\$0.36M</i>
Hollins Fire & Rescue Parking Lot	---	\$0.15M	---
Diesel Exhaust Removal System	---	\$0.53M	---
Public Safety Radio Replacement	---	\$3.60M	<i>\$2.39M</i>
Digital Microwave Ring Replacement	---	\$0.64M	---
Public Safety Building Automation System	\$0.20M	---	---
Circuit Court Renovations	\$0.12M	---	---
Total	\$0.93M	\$8.35M	<i>\$2.75M</i>

Capital Improvement Program Projects

Community Services Functional Team

Projects:	FY 17	FY 18-26	<i>Bonded Portion</i>
Carvins Creek Bridge Replacement	\$0.04M	\$0.12M	---
Comprehensive Public Asset System	\$0.54M	---	---
*VDOT Revenue Sharing	\$0.50M	\$4.50M	---
*Lila Drive Completion	---	\$0.33M	---
Maintenance of Effort – Drainage	\$0.25M	\$2.35M	---
NPDES – Leachate	\$0.10M	---	---
NPDES – Stream Assessment	\$0.12M	\$0.12M	---
NPDES – MS4 BMP Construction	---	\$2.95M	---
Vinton/William Byrd School Bus Lot	\$0.08M	\$0.93M	---
Broadband	\$0.02M	\$3.39M	---
Total	\$1.65M	\$14.68M	---

**Project funding also includes State funds not appropriated by the Board of Supervisors*

Capital Improvement Program Projects

Human Services Functional Team

Projects:	FY 17	FY 18-26	<i>Bonded Portion</i>
Hollins Branch Library	---	\$0.20M	---
Capital Maintenance Program – Parks/Rec	\$0.71M	\$6.39M	---
Explore Park	\$0.80M	\$1.45M	<i>\$1.45M</i>
Sports Field Lighting	---	\$2.49M	<i>\$2.49M</i>
Camp Roanoke	---	\$0.42M	---
Greenways and Trails: Interior Trails	---	\$1.32M	---
Arnold R. Burton Softball Complex	---	\$0.70M	<i>\$0.70M</i>
Hollins Park Improvements	---	\$0.43M	<i>\$0.43M</i>
Total	\$1.51M	\$13.40M	<i>\$5.07M</i>

Capital Improvement Program Projects

Internal Services Functional Team

Projects:	FY 17	FY 18-26	<i>Bonded Portion</i>
Capital Maintenance Program – General Services	\$0.80M	\$7.20M	---
Fleet Center Generator	\$0.20M	---	---
Green Ridge Recreation Center Generator	\$0.05M	\$0.75M	<i>\$0.75M</i>
Public Service Center	\$0.05M	\$12.58M	<i>\$12.13M</i>
Integrated Financial System – HR/Payroll	\$0.01M	\$1.50M	---
Total	\$1.11M	\$22.03M	<i>\$12.88M</i>

Capital Improvement Program Projects

Projects not Included in 10-year Plan

Projects not funded include but not limited to:

Project	Estimated Cost
New Hanging Rock Fire Station	\$3.92M
New Oak Grove Fire Station	\$3.43M
Police/South County Substation	\$0.39M
Friendship Lane Reconstruction	\$2.32M
Plantation Road – Phase II	\$5.0M
*Hollins Branch Library	\$16.6M
Mt. Pleasant Branch Library	\$3.24M

**Hollins Branch Library has \$0.2 million in initial planning and design funding in FY 2026.*

Fleet Replacement Fund

Revenues/Expenditures		FY 2017
Revenues	Funds Budgeted in Department Budgets (Police, Fire, Community Development, PR&T)	\$1,237,375
	Funds Budgeted in Capital Fund (General Fund transfer to Fleet Fund)	\$1,666,347
	Other Funding Sources (Surplus sales, prior year balances, other jurisdictions cost sharing)	\$453,985
	Total Revenue Sources	\$3,357,707
Expenditures		
	*Light Fleet (46 total)	\$1,260,282
	Heavy Fleet (8 Total – includes fire engines, ambulances, brush trucks, etc.)	\$1,748,125
	Heavy Equipment (16 total – includes loaders, excavators, movers, ground maintenance equipment, etc.)	\$349,300
	Total Expenditures	\$3,357,707

*In October 2015 in a work session, staff indicated 61 light fleet vehicles were scheduled for replacement. Through the budget process and refinement of the replacement list, that number was reduced to 46 vehicles with the balance being planned for replacement in FY 2018 and beyond.

FY 2017 – FY 2026 ADDITIONAL OPERATING BUDGET IMPACTS

Additional Operating Impacts

Project Operating Impacts

- **The CIP impacts the Operating Budget through additional operating impacts at project completion**
- **As FY 2017 is primarily a “maintenance” budget, additional operating impacts will be limited**
- **Operating impacts can also have a positive impact on the Operating Budget**
 - For example, energy efficiency projects could reduce utility costs
- **Each individual project page has an estimate of additional operating impacts where applicable**

A summary of all estimated additional operating impacts FY 2017 and future capital projects can be found in the Proposed CIP document, pages 20-21

Operating Impacts

FY 2017 General Fund Operating Budget

Operating Budget Impact	\$ Amount
Courthouse Security Upgrades	\$26,000
NPDES – Leachate – Leachate Discharge Costs	\$30,000
Vinton Library Maintenance (prior year CIP)	\$27,000
General Fund Transfer to Support CIP Projects	\$1,257,804

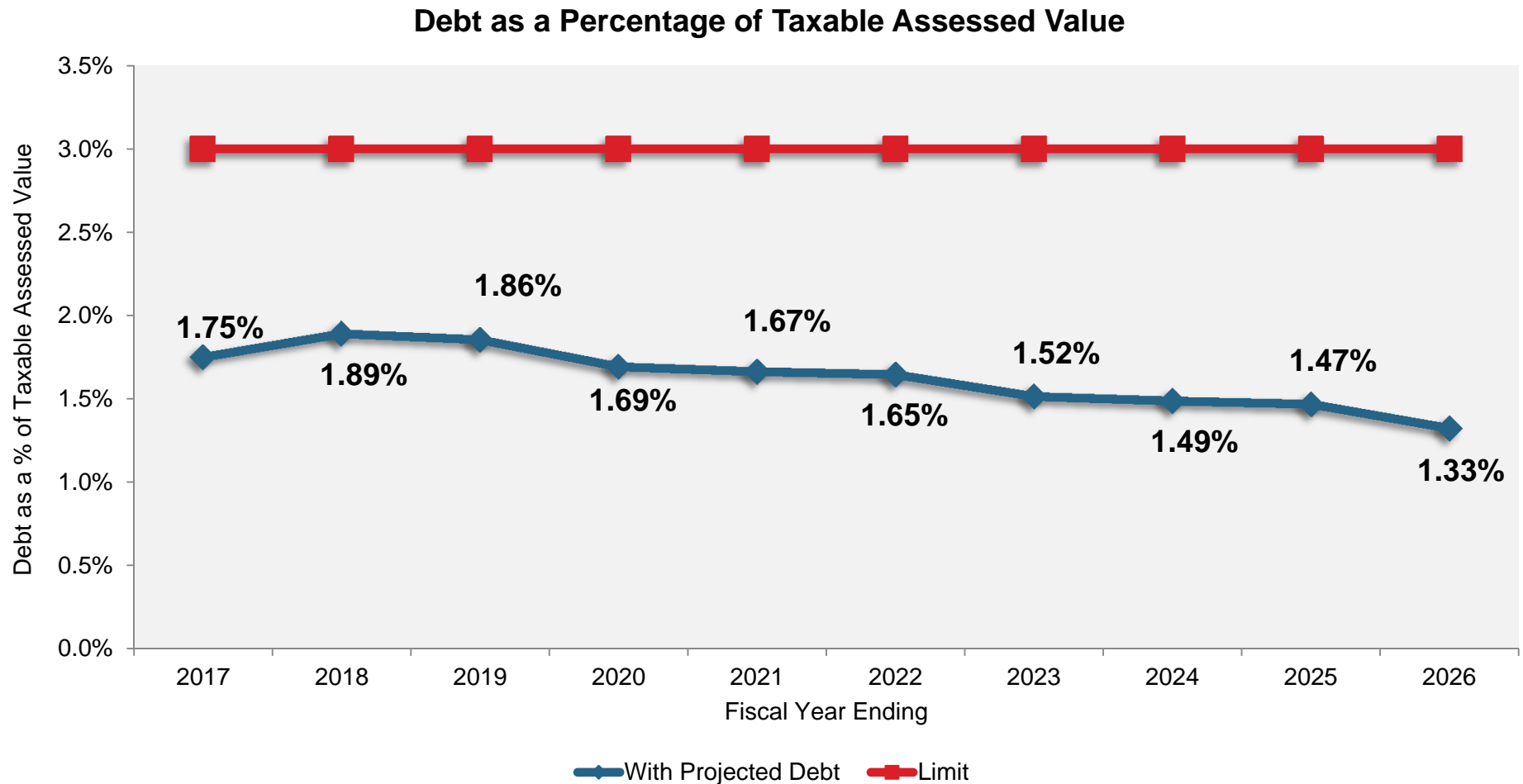
DEBT INFORMATION

Proposed Capital Improvement Program Debt Ratios

**Board of Supervisors imposed debt ratios must be adhered to
in each year of the balanced 10-year plan**

Policy	Limit	Actual and Projected Debt Ratios		
		FY15	FY16	FY17
Debt as a Percentage of Taxable Assessed Value	3.0%	2.06%	1.90%	1.75%
Debt Per Capita	\$2,500	\$2,014	\$1,878	\$1,749
Debt Service as a Percentage of General Government Expenditures	10.0%	7.14%	7.68%	6.84%

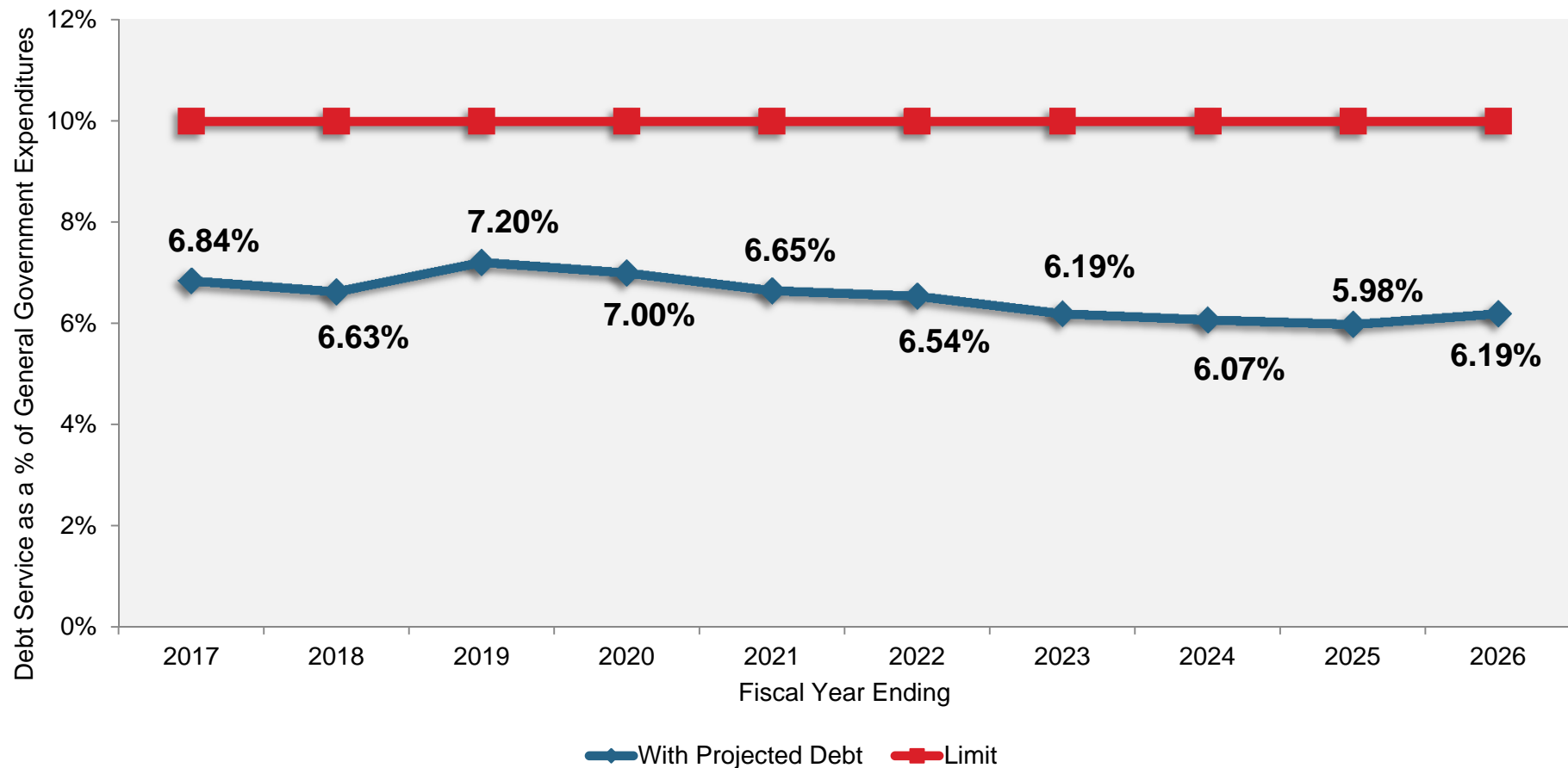
Debt as a Percentage of Taxable Assessed Value



Debt as a percentage of taxable assessed value is the outstanding debt principal divided by the market value assessment of all real and personal property located in the County.

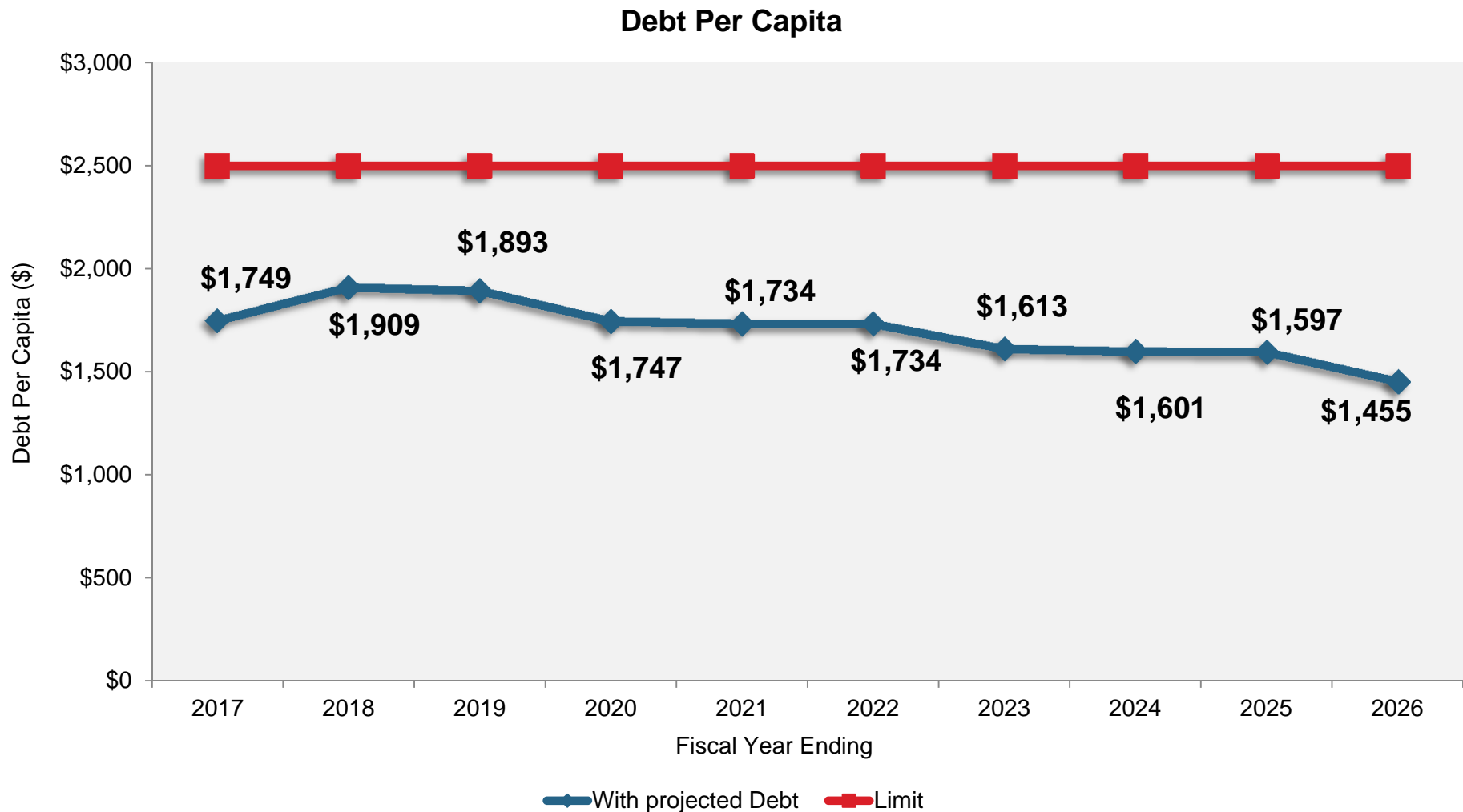
Debt Service as a Percentage of General Government Expenditures

Debt Service as a % of General Government Expenditures



Debt as a percentage of general government expenditures is calculated by taking the debt service (principal and interest) paid in a year divided by total general and school expenditures.

Outstanding Debt per Capita



Debt per capita is the total outstanding debt principal divided by the County's population.

Proposed Capital Improvement Program

Debt Ratio Comparisons

Comparative Jurisdictions

Debt Ratio	Roanoke County	Roanoke City	Lynchburg City	Hanover County
Debt as a % of Taxable Assessed Value Limit	3%	4%	4.5%	2.5%
Debt per Capita Limit	\$2,500	N/A	N/A	\$2,271
Debt Service as a % of General Government Expenditures Limit	10%	10%	N/A	10%

Proposed Capital Improvement Program

Debt Ratio Comparisons

Surrounding Localities

Debt Ratio	Roanoke County	Botetourt County	Bedford County	Craig County	Floyd County	Montgomery County	City of Roanoke	City of Salem
Debt as a % of Taxable Assessed Value Limit	3%	4%	3.5%	n/a	n/a	4%	4%	n/a
<i>Taxable Assessed Value (in billions)</i>	\$9.13	\$4.02	\$8.4	n/a	\$1.9	\$8.7	\$8.0	\$2.4
Debt per Capita Limit	\$2,500	\$2,000	\$1,750	n/a	n/a	\$2,000	n/a	n/a
Debt Service as a % of General Government Expenditures Limit	10%	10%	15%	n/a	n/a	12%	10%	n/a

All information from each locality's 2015 Comprehensive Annual Financial Report (CAFR)

Proposed Capital Improvement Program

Debt Ratio Limits

Comparison to AAA Rated Localities

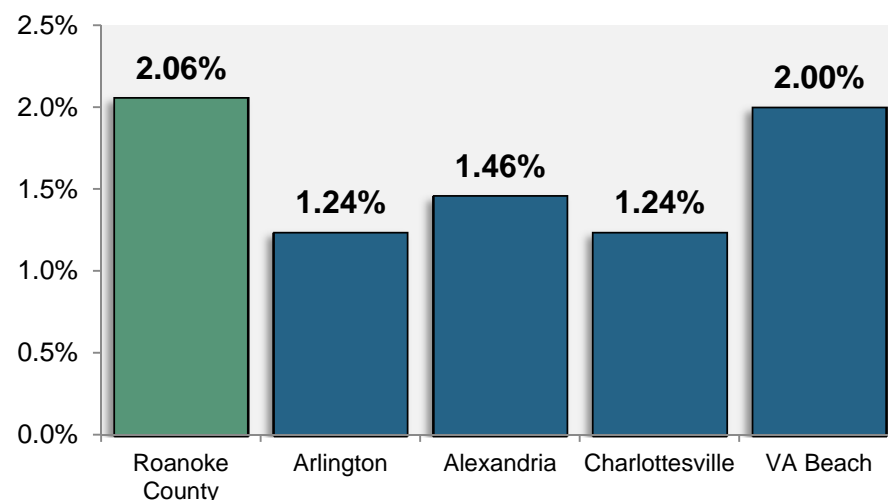
Debt Ratio	Roanoke County (AA+)	Arlington (AAA)	Alexandria (AAA)	Charlottesville (AAA)	Virginia Beach (AAA)
Debt as a % of Taxable Assessed Value Limit	3%	3%	1.6%	N/A	3.5%
<i>Taxable Assessed Value (in billions)</i>	\$9.13	\$72.24	\$38.54	\$5.70	\$56.02
Debt per Capita Limit	\$2,500	N/A	N/A	N/A	\$3,000
Debt Service as a % of General Government Expenditures Limit	10%	10%	10%	8%	10%

All information from each locality's 2015 Comprehensive Annual Financial Report (CAFR)

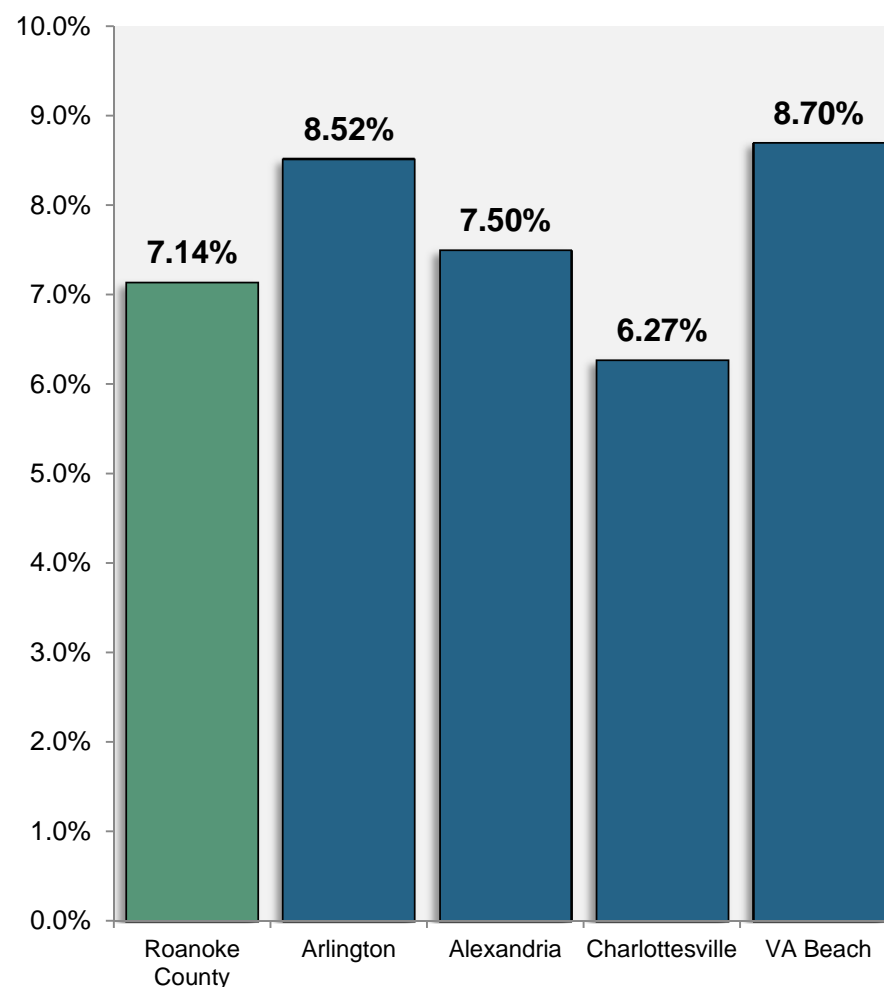
Debt Ratio Comparison to AAA Rated Localities

From 2015 Comprehensive Annual Financial Reports

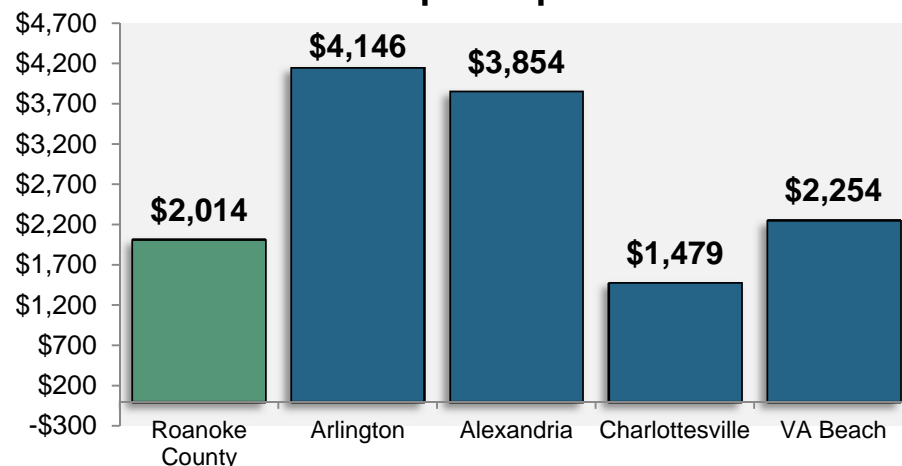
Debt as a % of Taxable Assessed Value



Debt Service as a % of General Government Expenditures



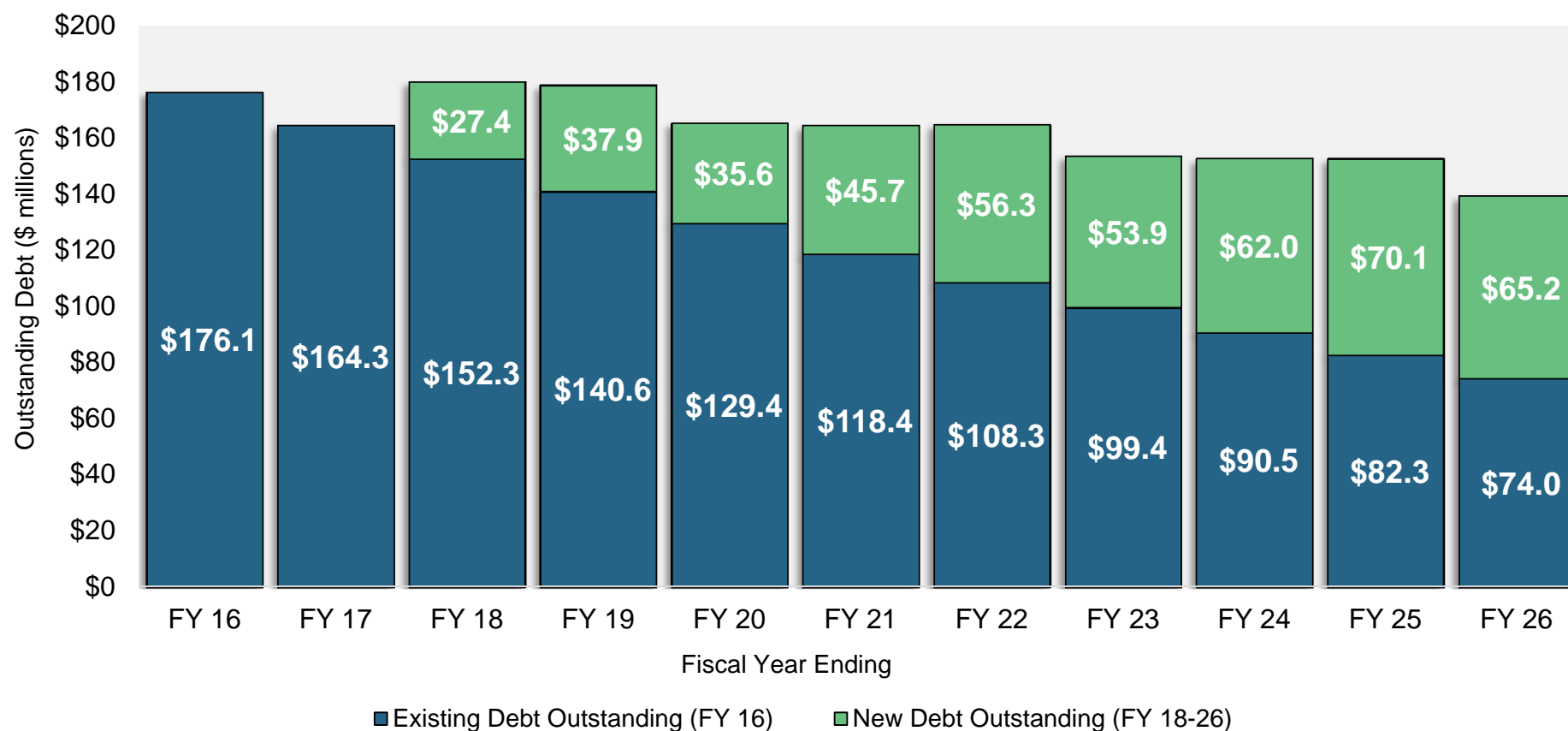
Debt per Capita



Outstanding Debt

Existing and Planned Bonds

**Existing and Projected Outstanding Debt
Fiscal Year 2016 – Fiscal Year 2026**



The above chart details the level of outstanding debt for both Roanoke County and Roanoke County Public Schools from FY 2016 through FY 2026 based on the assumed debt issuance in the FY 2017-2026 Capital Improvement Program.

Debt Service

FY 2017 Operating Budget

Debt Service (P & I)	FY 16	FY 17	Inc./.(Dec.)
County Principal	\$3,662,986	\$3,596,769	(\$66,217)
County Interest	\$3,614,667	\$3,215,649	(\$399,018)
Schools Principal	\$9,104,065	\$8,159,100	(\$944,965)
Schools Interest	\$4,668,375	\$4,051,613	(\$616,762)
Total Debt Service (County & Schools)	\$21,050,093	\$19,023,131	(\$2,026,962)

Debt Service

FY 2017 Operating Budget

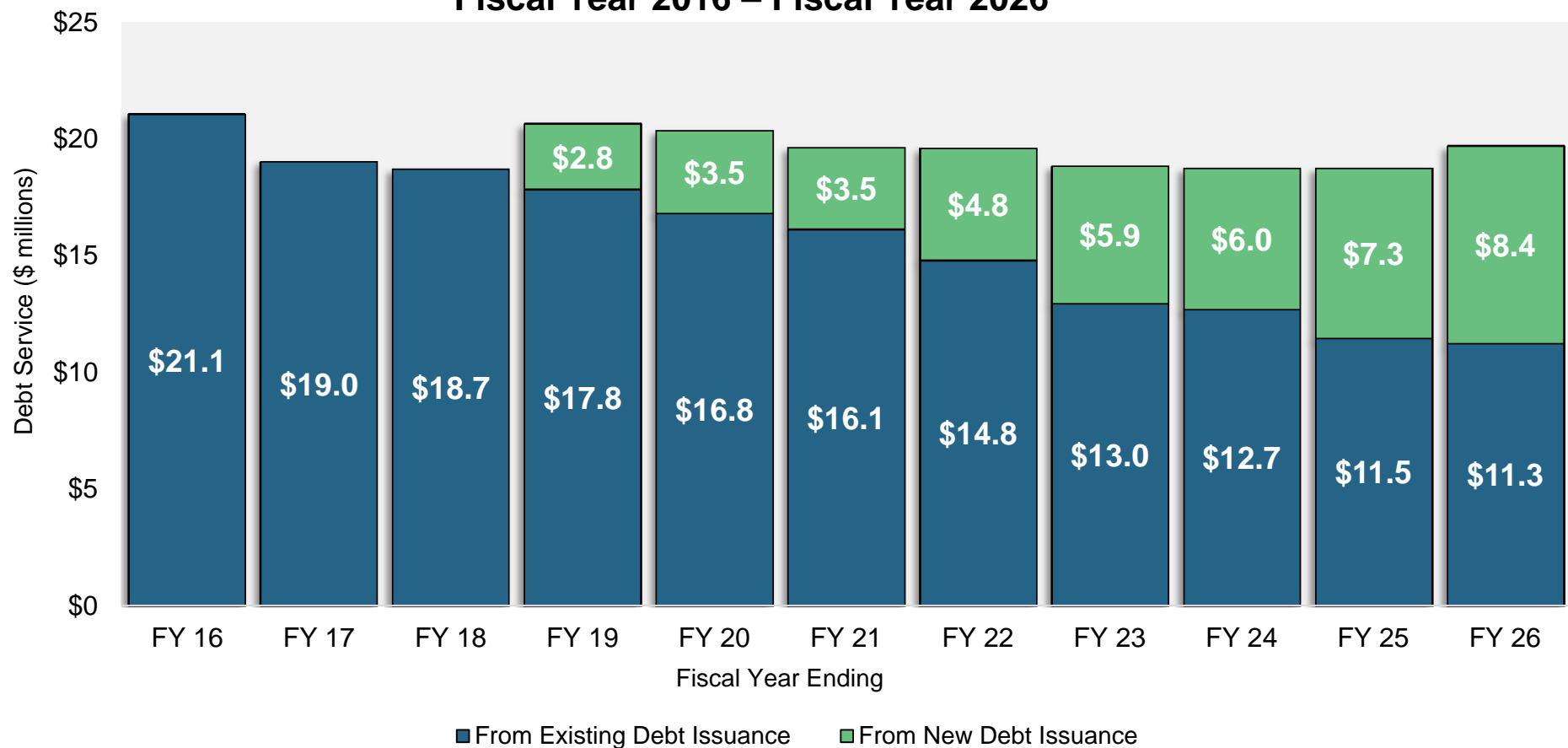
Debt Service (Funding Sources)	FY 16	FY 17	Inc./ (Dec.)
General Fund Transfer (County)	\$6,875,312	\$6,812,418	(\$62,894)
General Fund Transfer (for Schools)	\$9,647,101	\$8,085,368	(\$1,561,733)
Transfer from Co. Departments (Energy Mgmt.)	\$141,473	\$---	(\$141,473)
Transfer from Other Sources (Social Service Fund and Debt Reserves)	\$260,862	\$---	(\$260,862)
Transfer from Schools	\$4,125,345	\$4,125,345	\$---
Total Debt Service (County & Schools)	\$21,050,093	\$19,023,131	(\$2,026,962)

Offsetting Transfer	FY 16	FY 17	Inc./ (Dec.)
Offsetting Transfer from Future School / County Debt Fund	(\$4,810,680)	(\$3,119,838)	\$1,690,842

Debt Service

Existing and Planned Debt Service

**Existing and Planned Debt Issuance
Fiscal Year 2016 – Fiscal Year 2026**



The above chart details debt service payments for both Roanoke County and Roanoke County Public Schools from FY 2016 through FY 2026 based on the assumed debt issuance in the FY 2017-2026 Capital Improvement Program.

**NO DEBT SCENARIO:
CAPITAL IMPROVEMENT
PROGRAM WITHOUT FUTURE
DEBT ISSUANCE**

Capital Improvement Program

No Additional Debt Issuance

The following slides provides information on a scenario where the County would completely stop issuing debt to support the County and Schools CIP

Assumptions

- The County and Schools still have debt service obligations from previously issued bonds (through FY 2038)
- The County and Schools still need to invest in capital infrastructure for current and future service delivery
- The current Debt Fund Model would be eliminated beginning FY 2018

No Additional Debt Issuance Funding Gap

Total Funding Gap
\$90,688,000

County FY 2017-2026 CIP

Source	Amount	Percentage
Cash	\$42,944,819	67.5%
Bonds	\$20,688,000	32.5%
Total	\$63,632,819	

Schools FY 2017-2026 CIP

Source	Amount	Percentage
Cash	\$25,105,929	26.4%
Bonds	\$70,000,000	73.6%
Total	\$95,105,929	

Project	Amount
Cave Spring High School	\$21.67 M
Phase II Facility Assessment Projects (FY 21-25)	\$48.33 M
Explore Park (FY 18)	\$1.45 M
Sports Field Lighting (FY 18, FY 22)	\$2.49 M
Green Ridge Generator (FY 18)	\$0.75 M
Public Safety Radio Replacement (FY 18)	\$2.39 M
SCBA Replacement (FY 18)	\$0.36 M
Public Service Center (FY 19)	\$12.13 M
Parks Facilities Improvements (FY 22, FY 25)	\$1.13 M
Total Bonded Projects	\$90.69 M

No Additional Debt Issuance Reprogramming Debt Service Funds

Fiscal Year	Base Funding	Actual Debt Service	Available Cash	Cash to Schools CIP	Cash to County CIP
2018	\$19,023,131	\$18,700,611	\$322,520	\$207,026	\$115,494
2019	\$19,023,131	\$17,834,552	\$1,188,579	\$762,949	\$425,630
2020	\$19,023,131	\$16,812,342	\$2,210,789	\$1,419,105	\$791,684
2021	\$19,023,131	\$16,132,402	\$2,890,729	\$1,855,559	\$1,035,170
2022	\$19,023,131	\$14,808,195	\$4,214,936	\$2,705,567	\$1,509,369
2023	\$19,023,131	\$12,970,607	\$6,052,524	\$3,885,115	\$2,167,409
2024	\$19,023,131	\$12,712,176	\$6,310,955	\$4,051,002	\$2,259,953
2025	\$19,023,131	\$11,477,682	\$7,545,449	\$4,843,424	\$2,702,025
2026	\$19,023,131	\$11,255,761	\$7,767,370	\$4,985,875	\$2,781,495
Total			\$38,503,851	\$24,715,622	\$13,788,229

No Additional Debt Issuance

FY 2018 Starting Cash Balances for Capital

Schools		County	
Cash from Elimination of Current Debt Fund Model	\$4,287,000	Cash from Elimination of Current Debt Fund Model	\$1,038,000
Cash from Reprogramming Debt Service Funds	\$207,000	Cash from Reprogramming Debt Service Funds	\$115,000
Capital Reserves (est.)	\$6,000,000	Capital Reserves (est.)	\$3,100,000
Total Cash Available Beginning FY 2018	\$10,494,000	Proceeds from Sale of Assets	\$1,500,000
		Cash needed for Capital Fund Shortfall with Elimination of Current Debt Fund	(\$920,000)
		Total Cash Available Beginning FY 2018	\$4,833,000

Note: All balances are estimated for FY 2018

No Additional Debt Issuance

Impact on Cave Spring High School

Project	FY 17	FY 18
Cave Spring High School (as proposed)	\$0	\$28,750,000

Funding Source	FY 18	FY 19	FY 20	FY 21	FY 22
Available Cash (Annually)	\$10,494,000	\$1,012,949	\$1,669,105	\$2,105,559	\$2,955,567
Fund Capital Maintenance Program	(\$1,000,000)	(\$1,000,000)	(\$1,000,000)	(\$1,000,000)	(\$1,000,000)
Fund HR/Payroll System	(\$250,000)	(\$250,000)	(\$250,000)	\$---	\$---
Cave Spring Reserve (Annual)	\$9,244,000	(\$237,051)	\$419,105	\$1,105,559	\$1,955,567

Funding Source	FY 23	FY 24	FY 25	FY 26	FY 27
Available Cash (Annually)	\$4,135,115	\$4,301,002	\$5,093,424	\$5,235,875	\$5,366,245
Fund Capital Maintenance Program	(\$1,000,000)	(\$1,000,000)	(\$1,000,000)	(\$1,000,000)	(\$1,000,000)
Fund HR/Payroll System	\$---	\$---	\$---	\$---	\$---
Cave Spring Reserve (Annual)	\$3,135,115	\$3,301,002	\$4,093,424	\$4,235,875	\$4,366,245

No Additional Debt Issuance

Impact on Cave Spring High School

- Schools would accumulate \$31.6 million in cash by the end of FY 2027.
- Project budget is currently estimated at \$30.75 million, with \$2.0 million already appropriated (balance of \$28.75 million).
- Assuming a 2.0% inflation rate from FY 2018 to FY 2027, the unfunded portion of the project (\$28.75 million) increases from \$28.75 million to \$34.4 million.
- Schools would lack sufficient funds in FY 2027 to start project with inflation included – would have enough beginning in FY 2028, with project costs rising to \$35.1 million with an extra year of inflation.
- Any major project after Cave Spring would likely not be able to begin until FY 2032.

No Additional Debt Issuance County Projects

Funding Source	FY 18	FY 19	FY 20	FY 21	FY 22
*Unrestricted Cash	\$6,571,717	\$2,205,700	\$2,406,890	\$2,243,479	\$2,546,851
Reprogrammed Debt Service Cash	\$115,494	\$425,630	\$791,684	\$1,035,170	\$1,509,369
Restricted/Non-County Cash	\$3,970,645	\$2,017,000	\$449,921	\$700,000	\$320,000
Total Available Cash	\$10,657,856	\$4,648,330	\$3,648,495	\$3,978,649	\$4,376,220
Projects Planned in FY 2017-2026 CIP	\$13,648,611	\$17,155,406	\$4,343,258	\$3,529,787	\$4,490,534
Annual Surplus/(Deficit)	(\$2,990,755)	(\$12,507,076)	(\$694,763)	\$448,862	(\$114,314)

Likely projects impacted:

- FY 18 (Explore Park, Sport Field Lighting, Green Ridge Generator)
- FY 19 (Public Service Center)
- FY 20 (Roads Revenue Sharing Projects)

*Includes beginning balances of \$4.833 million in FY 2018 and \$0.5 million from year-end fund balance for FY 2019-2026 in addition to other unrestricted cash sources.

No Additional Debt Issuance County Projects

Funding Source	FY 23	FY 24	FY 25	FY 26
Unrestricted Cash	\$2,447,558	\$2,747,559	\$2,648,915	\$2,946,882
Reprogrammed Debt Service Cash	\$2,167,409	\$2,259,953	\$2,702,025	\$2,781,495
Restricted/Non-County Cash	\$540,167	\$920,167	\$540,167	\$320,000
Total Available Cash	\$5,155,134	\$5,927,679	\$5,891,107	\$6,048,377
Projects Planned in FY 2017-2026 CIP	\$3,270,949	\$4,045,283	\$4,348,888	\$3,606,522
Annual Surplus/(Deficit)	\$1,884,185	\$1,882,396	\$1,542,219	\$2,441,855

Category	\$ Amount
Total Projected Available Cash (FY 18-26)	\$50,331,847
Total Planned Projects(FY 18-26)	\$58,439,238
Total Funding Deficit (FY 18-26)	(\$8,107,391)

NEXT STEPS

Proposed FY 2017 Operating Budget

Important Page Numbers

Document Section/Information	FY 2017 Document Page Number
County Administrator's Transmittal Letter, Summary of General Government Revenue and Expenditure Changes, Summary of Position Changes	Pages 7-22
General Government Revenue and Expenditure Summaries	Pages 96-104
Outside Agency Contributions	Pages 203-210
Roanoke County Public Schools	Pages 234-236 and Pages 259-261
Debt Service Fund	Pages 265-276
Capital Fund, CIP, Fleet Replacement	Pages 281-302
FY 2017 Proposed Health Insurance Rates	Pages 308-309
FY 2017 Proposed Dental Insurance Rates	Page 314

Proposed FY 2017 Operating Budget

Next Steps

Budget Item	Date
Work Session: County / Schools Joint Work Session	March 8, 2016
Public Hearing / Set Maximum Tax Rates	March 22, 2016
Budget Work Session #1: Total Compensation	March 22, 2016
FY 2017 Budget Public Hearing	April 12, 2016
Public Hearing / Adopt Tax Rates	April 12, 2016
Budget Work Session #2: Operating Budgets	April 12, 2016
Budget Work Session #3: Capital, Debt, Other	April 26, 2016
FY 2017 Budget Public Hearing	May 10, 2016
First Reading to Adopt FY 2017 Operating Budget & FY 2017-2016 CIP; Adopt RCPS Budget	May 10, 2016
Second and Final Reading to Adopt FY 2017 Operating Budget & FY 2017-2016 CIP	May 24, 2016

QUESTIONS AND COMMENTS



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